

Michael O. Leavitt Governor Kathleen Clarke Executive Director Lowell P. Braxton

Kacutive Director
Lowell P. Braxton
Division Director

Ron-538-5340
801-359-3940 (Fax)
801-538-7223 (TDD)

PO Box 145801

Salt Lake City, Utah 84114-5801

September 7, 2001

Daniel Sheppard GoldTerra, Incorporated 4088 East Airport Road P.O. Box 783 Price, Utah 84501

Re: Additional Information Required, GoldTerra Inc., Blue Castle Mine, M/015/0077, Emery County, Utah

Dear Mr. Sheppard:

On September 6, 2001, we received a letter from the Resource Development and Coordinating Committee (a clearinghouse for all large mining permits), regarding your Blue Castle proposed large mining project (copy attached).

Prior to issuing final approval, we will need verification that you have obtained an "Approved Order" issued by the Utah Division of Air Quality. This requirement was also addressed in our October 31, 2000 initial review letter under item R647-4-109.4 (copy attached).

Please provide this documentation as soon as possible. The Division will be prepared to issue final approval at the end of the 30-day public notice (September 14th), provided we have received all required information. We also need to receive your \$281,200 reclamation surety by the end of the public comment period.

Thank you for your assistance in finalizing this permitting action. If you have any further questions in this regard, please contact me at (801) 538-5382.

Sincerely,

Doug Jensen

Senior Reclamation Specialist

jb

Attachment: RDCC letter, DOGM 10/31/00 review letter

cc: John Harja, RDCC

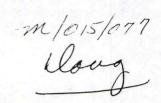
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M15-77-rdcc-ltr.doc



State of Utah

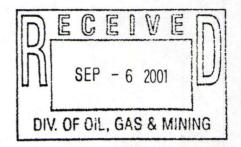
GOVERNOR'S OFFICE OF PLANNING AND BUDGET Resource Development Coordinating Committee



Michael O. Leavitt Governor Natalie Gochnour State Planning Coordinator Bill Schlotthauer Committee Chairman John A. Harja Executive Director

116 State Capitol Building Salt Lake City, Utah 84114 (801) 538-1027 Fax: (801) 538-1547

September 6, 2001



Doug Jensen, Senior Reclamation Specialist Division of Oil, Gas and Mining 1594 West North Temple, Suite 1210 PO Box 145801 Salt Lake City, Utah 84114-5801

SUBJECT:

Large Mining Operations - Gold Terra Inc., Blue Castle Mine, M/015/077

Project No. 01-1103

Dear Mr. Jensen:

The Resource Development Coordinating Committee (RDCC), representing the State of Utah, has reviewed this proposal. The Division of Air Quality Comments:

The proposed mining project is subject to Utah Air Conservation Rule R307-205-5, Mining Activities, since fugitive dust emissions will be generated during mining activities. A permit, known as an Approval Order, is not required solely for the control of fugitive dust, but steps need to be taken to minimize fugitive dust, such as, watering and/or chemical stabilization, providing vegetative or synthetic cover and windbreaks. A permit application, known as a Notice of Intent, should be submitted to the Executive Secretary at the Utah Division of Air Quality at 150 N. 1950 West, Salt Lake City, Utah, 84116, if any on-site crushing of stone occurs according to Utah Air Conservation Rule R307-400, Permits, Notice of Intent and Approval Order.

If you have any questions regarding the above comments, please feel free to contact Frances Bernards at the Utah Division of Air Quality at (801) 536-4056.

The Committee appreciates the opportunity to review this proposal. Please direct any other written questions regarding this correspondence to the Resource Development Coordinating Committee at the above address or call Carolyn Wright at (801) 538-5535 or John Harja at (801) 538-5559.

Sincerely,

John Haria

Executive Director

JH/cw